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FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Observer Mission in El Salvador (ONUSAL) (A/46/900). During its consideration of the item, representatives of the Secretary-General provided additional information to the Advisory Committee.

2. The General Assembly, by resolution 45/267, appropriated and apportioned $13.8 million gross ($13.0 million net) for ONUSAL for the period 1 July to 31 December 1991 and authorized the Secretary-General to enter into further commitments not exceeding $9.2 million gross ($8.8 million net), with the prior concurrence of the Advisory Committee, for the period 1 January to 30 June 1992. Subsequently, however, the Security Council, by resolution 729 (1992), decided to enlarge and extend the mandate of ONUSAL until 31 October 1992. Following this, the Advisory Committee, by a letter to the Secretary-General dated 13 February 1992, concurred in his request to enter into commitments of up to $10 million under General Assembly resolution 46/187 for the early emplacement of additional military observers and civilian police monitors together with the required logistic support for ONUSAL, as indicated in his report to the Security Council, 1/ prior to the approval of the budget by the General Assembly.

3. According to section IV and table 1 of the report, assessments totalling $13,242,993 were apportioned among Member States for the financing of ONUSAL for the period 1 July to 31 December 1991 while payments received for the same period amounted to $7,060,446, resulting in outstanding assessments of $6,182,547 as at 31 March 1992.

4. The performance report for ONUSAL for the period 1 July to 31 December 1991 is summarized in annex I to the report (A/46/900) with supplementary information in annex II; the unencumbered balance is estimated at $3,561,500 gross ($3,347,700 net), or about 25 per cent of the authorized appropriation.

5. According to section VII of the report, the total cost for the enlarged mandate of ONUSAL for the period 1 January to 31 October 1992 is estimated at $48,784,000 gross ($46,374,000 net), including the $10 million authorized by the Advisory Committee (see para. 2 above); a breakdown of this cost estimate is provided in annex III to the report with supplementary information in annex IV.

6. In section VIII of the report, the Secretary-General states that based on the net expenditure of ONUSAL of $9,652,300 against contributions received of $7,060,446 as at 31 March 1992, the operating deficit of the Mission is $2,591,854. In view of the above and bearing in mind that assessed contributions in the amount of $6,182,547 for the period 1 July to 31 December 1992 remain outststanding as at 31 March 1992, the Secretary-General recommends that no action be taken at this time in connection with the estimated net unencumbered balance of $3,347,700 and that this amount be retained in the ONUSAL Special Account pending receipt of the outstanding assessed contributions. In section IX of the report, the Secretary-General requests that the General Assembly appropriate and apportion the amount of $48,784,000 gross ($46,374,000 net) for ONUSAL for the period 1 January to 31 October 1992 and decide to retain the estimated unencumbered balance for the period ending 31 December 1991 in the amount of $3,347,700.

7. The Committee undertook a careful and detailed examination of the cost estimates and supplementary information thereon as set out in the annexes to the report. The Committee recalls that in the letter to the Secretary-General on the granting of commitment authority (see para. 2 above), it requested that the report on the financing of the expansion of ONUSAL take into account the relationship between ONUCA and ONUSAL and the transfer of resources, as indicated in the Secretary-General's report to the Security Council, 2/ and explore the possibility of successor arrangements with a view to making any surplus from ONUCA available to ONUSAL. The Committee observes, however, that the Secretary-General's report on the financing of ONUSAL has not addressed this matter.

8. As indicated in the relevant resolutions of the Security Council and reports of the Secretary-General to the Council, there is a functional relationship between the two operations in the framework of the Central American Peace Process. In view of the aforesaid and considering that a large number of personnel and equipment at a substantial value have been transferred from ONUCA to ONUSAL (A/46/900, annex IX), and taking into account that the ONUCA mandate from 7 November 1991 to 30 April 1992 was terminated by Security Council resolution 730 (1992) with effect from 17 January 1992, the Committee requests that the Secretary-General report to the forty-seventh session of the General Assembly, in the context of the performance reports on ONUCA and

ONUSAL, on the feasibility and implications of merging the accounts of ONUCA and ONUSAL.

9. The Committee points out that Member States have already been charged for the equipment and other resources transferred from ONUCA and MINURSO (ibid.). The Committee believes that in this instance, and in view of what the Committee has said in paragraph 8 above about the merging of the ONUCA and ONUSAL accounts, it is not appropriate for Member States to be charged again even though the charge would be at depreciated rates and even though that charge would be a credit to ONUCA. The Committee intends to look further into this matter in the context of its consideration of the Secretary-General's report on the administrative and budgetary aspects of the financing of peace-keeping operations to be submitted to the General Assembly at its forty-seventh session in accordance with resolution 45/258.

10. With regard to mission subsistence allowance ($12.8 million) for all mission staff, the Committee notes that the proposed standard rate throughout El Salvador is $64 per day for the first 30 days and $61 per day thereafter (annex IV, para. 2) following an increase from $63 per day for the first 30 days and $45 thereafter budgeted for the period 1 July to 31 December 1991 (annex II, para. 1). The Committee notes that, according to the latest schedule of daily subsistence allowance rates issued by the International Civil Service Commission and effective 1 April 1992, 3/ the rates are $70 for San Salvador and $22 elsewhere for the first 60 days and thereafter $52 for San Salvador and $22 elsewhere. The Committee recalls its observation in its previous report on the financing of ONUSAL (A/45/1021, para. 10) that it was not fully convinced of the need to grant ONUSAL staff substantially higher rates than for other United Nations staff in El Salvador; nevertheless the rates for personnel outside San Salvador (elsewhere) were further increased from $45 after the first 30 days to $61. Under the circumstances the Committee requests the Secretary-General to review this allowance and believes that there is a potential for savings.

11. With regard to civilian personnel costs for international and local staff, the Committee notes that the salaries and staff costs for international staff are based on New York standard costs for staff in the Professional category and above and General Service categories (annex IV, para. 5), which are on average higher than those from other duty stations. The Committee is of the view that the budgeted average total remuneration of international staff, including salaries, common staff costs, mission subsistence and representation allowance, of about $78,252 per person for the average deployment of 8.6 months of ONUSAL civilian staff (annex VI), or $9,100 per month, is very high and substantially more than for the original mandate period, as indicated in the Committee's last report on the financing of ONUSAL (A/45/1021, para. 12). The Committee also believes that the budgeted average total remuneration of local staff of about $5,204 per person for the average deployment of 8.6 months or about $605 per month, is high compared to the average local salary scale.

12. The Committee was informed that out of the current 67 Professional staff of ONUSAL (annex IV, para. 7), only 16 have been redeployed from the Secretariat and 51, or 76 per cent of Professional staff, have been recruited from outside as mission appointees, in particular human rights officers. The Committee recalls, as noted in its previous report on the financing of ONUSAL (A/45/1021, para. 12) that those so recruited or seconded from Member States would only be entitled to base salary and/or mission subsistence allowance and thus not receive other benefits such as post adjustment given to United Nations staff deployed from other duty stations. The Committee was informed that as a result of non-payment of post adjustment and professional vacancies there will be savings of total $739,000 under civilian personnel costs.

13. As regards military personnel costs, the Committee was informed that at present 294 military personnel, including 50 military observers for liaison with human rights officers, are deployed with ONUSAL of which 50 observers are scheduled to be repatriated on 30 June 1992 against an authorized core strength of 244 (annex IV, para. 9). The Committee notes that according to the operational plan, 4/ the temporary deployment of 128 additional military observers to ONUSAL, who were transferred from ONUCA in January 1992, is authorized only during the 30-day period for completion of the separation of forces. The Committee is of the view that there is a possibility for substantial savings in reducing the current military personnel by 50 to the authorized core strength of 244. In this connection, the Committee points out that any deployment of military and other personnel in the mission area over and above the strength and mandate period authorized by the Security Council should be reported to the Council prior to inclusion in the cost estimates.

14. The Committee was informed that in view of the difficulties in obtaining additional Spanish-speaking police monitors from Member States (annex IV, para. 13) the original estimate of 631 civilian police monitors was reduced to a target strength of 400. The Committee was informed that due to these same difficulties the phasing-in of police monitors will be further delayed and it may not be possible to obtain all 400 monitors; this will result in savings.

15. According to annex V, the proposed revised civilian staffing table, which comprises 356 staff, includes 85 Professionals (1 ASG, 3 D-2, 7 D-1, 22 P-5, 34 P-4, 18 P-3), 40 General Service, 30 Field Service and 201 local staff, representing an increase of 9 international staff (additional 2 D-2 and 15 General Service less 1 D-1, 3 P-5 and 4 P-4) and 64 local staff over the previously authorized level of 283. The Committee is of the view that the proposed total 356 staff for ONUSAL (including 155 international staff) is comparatively large and the structure should be streamlined without impairing the effective implementation of the mandate. For example, the Administrative Division of ONUSAL is composed of 146 posts, including 10 Professional, 24 General Service, 27 Field Service and 85 local staff (annex VII). The Committee notes that the administrative component of this operation is by far the largest division of the civilian establishment, comprising over 40 per cent of the total civilian staff, and should be reviewed with a view to administering the operation more cost-effectively. The Committee also questions the need for 15 additional General Service and 64 additional local

posts, taking into account that the proposed total of 201 local staff compared to 85 Professional and 70 General Service and Field Service staff is high.

16. The Committee was not fully convinced of the need that the new Military Division and the Police Division be both headed by a D-2. In this connection, the Committee reiterates that the personal grade of an incumbent should not determine the level of a particular post. Furthermore, the Committee points out that the report does not contain a detailed justification for the establishment of the proposed additional posts, including the two D-2 posts; no additional information was provided to the Committee on the responsibilities of the senior posts in the Office of the Chief of Mission and the Human Rights Division as well as the two new divisions. The Committee reiterates its view that the proposed establishment of new posts, in particular at the senior level, should be well justified in the reports of the Secretary-General on the financing of peace-keeping operations, containing a description of the functional reponsibilities of new posts in the context of the overall structure of the respective Mission. The Committee believes that information is essential for a careful and detailed assessment of the need for proposed additional posts and the cost-effectiveness of the operation.

17. As shown in annex IV, paragraph 23, there is a provision of $150,000 for consultants and experts to provide legal and other assistance. In this connection, the Committee was informed that there are not enough Spanish-speaking legal officers and other staff available in the Secretariat to perform those tasks during the entire mandate period. The Committee, however, believes that the rates for one local lawyer at $2,500 per month, two legal assistants at $1,500 each per month and two support staff at $600 each per month for a period of five months ($31,500), 20 consultancy months at $3,000 per month for the Human Rights Division ($60,000) and 60 work months at $600 per month for research work in the Office of the Chief of Mission ($36,000) are high. Moreover, it is posssible that a major part of these functions could be performed by the large civilian establishment requested for this operation. The Committee therefore requests the Secretary-General to achieve maximum economy in this area. The Committee was also not convinced of the need to provide consultancy assistance for the public information campaign ($22,500) (see para. 25 below).

18. In this connection, the Committee recalls its recommendation in its last report on the administrative and financial aspects of the financing of peace-keeping operations (A/45/801, para. 33), as noted in its report on the financing of UNPROFOR (A/46/893, para. 17), that:

> "in the case of operations with a large civilian component, it would be useful for the Secretary-General to request Member States to provide additional qualified civilian personnel to carry out non-core functions in view of the overall programmatic and budgetary considerations, thus reducing the costs of large operations and containing the use of the limited resources of the Secretariat. The Committee urges the Secretary-General to implement this recommendation for both technical and non-technical personnel in the case of particularly large operations like UNPROFOR and the United Nations Transitional Authority in Cambodia."

The Committee intends to look further into this matter in the context of its report referred to in paragraph 9 above.

19. As regards travel ($441,000), the Committee is of the view that the average round-trip rate of $3,400 per person, based on group travel arrangements, national military airlifts and commercial airlines, including 100 kg of unaccompanied baggage (annex IV, para. 3), appears to be high, taking into account the recent reductions in international air fares and that the majority of the staff will originate from North and South America and will not require an overnight stop-over, as indicated in the Committee's last report on the financing of ONUSAL (A/45/1021, para. 11). The Committee believes that further economies can be made under air travel.

20. With regard to premises/accommodation ($1.6 million) (annex IV, paras. 25-30), the Committee was informed that the Government of the host country indicated to the United Nations that it is not in a position to provide any office premises or accommodation to ONUSAL and the Organization was required to acquire all premises/accommodation throughout the country at commercial rates. ONUSAL is even paying for parking space at its headquarters. The arrangements negotiated by the Secretary-General do not reflect any contribution by the host country to this operation. The Committee points out that in its last report on the financing of ONUSAL (A/45/1021, para. 14) it recalled the obligations of the host country under the model status-of-forces agreement for peace-keeping operations (A/45/594). The Committee trusted that the Secretary-General would pursue every effort with the host country to obtain premises for the operation of the Mission and the accommodation of the staff without cost to ONUSAL. The Committee reiterates the obligations of the host countries under the model status-of-forces agreement.

21. With regard to transport operations ($5.6 million) (annex IV, paras. 31 to 35), the Committee observes that provision is made for an additional 334 vehicles of which 174 were transferred from ONUCA at a depreciated value ($1.5 million) and 160 initially purchased for MINURSO at full cost ($2.7 million), resulting in a total of 467 vehicles (annex VIII) for use by not more than 1,000 personnel (244 military personnel, 400 civilian police and 356 civilian staff). The Committee is of the view that the ratio of one vehicle for about two persons of the total ONUSAL staff or one vehicle per international staff member is high, taking into account that over 70 per cent of the international staff are located at ONUSAL headquarters and at the regional offices in San Salvador. According to normal practice staff should not be travelling alone, as pointed out in the Committee's last report on the financing of ONUSAL (A/45/1021, para. 15). Furthermore, the Committee notes that 86 vehicles, including 20 pool vehicles and a 27 reserve holding, have been allocated for the civilian administration at ONUSAL headquarters with 82 international staff and another 40 vehicles for the other three divisions at headquarters (annex VIII).

22. The Committee recalls its comments in its last report on the financing of ONUSAL (A/45/1021, para. 15) and is of the view that the proposed vehicle

establishment for ONUSAL is not fully justified, in particular following the substantial reduction of 231 police monitors (see para. 14 above). The Committee reiterates its view that the allocation of vehicles should be planned cost-effectively according to the actual needs of an operation with a view to making economies. In this connection, vehicles should not be assigned for the exclusive use of a staff member unless there are exceptional circumstances requiring such use. Moreover, group travel arrangements for civilian staff should be made whenever possible.

23. The Committee notes that under helicopter operations ($6.8 million), provision is made for the commercial hiring of three observation helicopters and two utility helicopters for a period of 9.5 months ($5.5 million) (annex IV, para. 36). Upon inquiry, the Committee was informed that the helicopter operation will assist the Military Division to verify all aspects of the cease-fire and the separation of forces according to the Agreement while the Civilian Police Division and the Human Rights Division do not require helicopters to carry out their tasks. In this connection, the representatives of the Secretary-General were not in a position to indicate how many of the designated locations in the mission area defined in accordance with the Peace Agreement are inaccessible by road and need to be monitored from the air. Considering the relative small size of the mission area, the existing infrastructure in the country, the large establishment of 467 vehicles, the relatively small core strength of 244 military personnel compared to large-scale operations, and taking into account that the separation of forces is now complete, the Committee was not convinced of the need to operate five helicopters for the entire mandate period. In view of the foregoing and taking into account the substantial costs of $6.8 million, the Committee is of the view that there is a potential for savings under helicopter operations. The Committee trusts that the Force Commander of ONUSAL will review the proposed helicopter operations and keep the proposed requirements under constant review with a view to making economies.

24. As regards communications ($2.3 million) and other equipment ($849,000) (annex IV, paras. 40-47), the Committee recalls that the proposed equipment should not be more sophisticated than required for the operation and be based on normal standards and actual needs, taking into account the local environment. Bearing in mind the reductions in communications equipment during the original mandate period, as noted in the Committee's last report on the financing of ONUSAL (A/45/1021, para. 16), the Committee trusts that further economies will be made.

25. The Committee notes that a provision has been made for public information-special events ($385,000) in the mission area and information activities at headquarters (annex IV, paras. 50 and 51). The representatives of the Secretary-General stated that there was a need for a well-designed information programme to promote the mandate of ONUSAL and to illustrate the role of the United Nations which was not covered by the 1992-1993 regular budget for public information. The Committee recalls that in its last report on the financing of ONUSAL (A/45/1021, para. 17), it noted that efforts to initiate an information campaign to inform the public about the Mission under

the Agreement, as indicated in the Secretary-General's report (A/45/242/Add.1, annex II, para. 20 (c) and (i)), should be made through the local media in particular to achieve these aims. Furthermore, the Committee is of the view that public information activities for the external promotion of ONUSAL outside the area of operation have not been specifically mandated by the Security Council. In this connection, the Committee recalls its observation in its report on the financing of UNAVEM II (A/45/1043, para. 15), that:

> "the promotional services relating to United Nations activities in the area of peace and security represent a major component of the programme of work of public information, as described in the programme budget for 1990-1991 and appropriate budgetary provisions have been made for this purpose under subprogramme 1, promotional services".

26. The Committee further recalls that the programme budget for 1992-1993, as approved by General Assembly resolution 46/186, provides under part VII, section 31, $100.9 million for public information, including $57 million for promotional services which covers peace and security and in particular activities relating to peace-keeping operations. The Committee notes that as a result of the substantial savings under civilian personnel costs due to late phasing-in, non-payment of post adjustment for mission appointees and vacancies (see paras. 11, 12, 15 and 16 above), there will be consequential additional savings under the provisions for the support account for peace-keeping operations.

27. In view of the Committee's observations and recommendations in paragraphs 7 to 26 above and the large number of areas where savings can be made, and taking into account the net unencumbered balance of $3.4 million for ONUSAL for the period ending 31 December 1991 to be retained in the ONUSAL Special Account (see para. 6 above), the Advisory Committee recommends that the General Assembly appropriate and assess $39 million gross ($37 million net) for the period 1 January to 31 October 1992, including the $10 million authorized by the Advisory Committee under resolution 46/187 on unforeseen and extraordinary expenses (see para. 2 above). The Advisory Committee believes that the above amount should be adequate for the mandate period until the end of October 1992. The Committee notes that should the Security Council decide to extend the mandate of ONUSAL and the Secretary-General submit additional requirements to the forty-seventh session of the General Assembly for the period beyond October 1992, that report should include detailed information on the performance of ONUSAL to that date.

28. As it has in the past and most recently in its report on the financing of UNPROFOR (A/46/893, para. 32), the Committee points out the necessity for Member States to pay their assessed contributions in full and on time. In this connection, the Committee recalls that on the average 36 per cent of amounts apportioned have actually been collected within three months after assessments for peace-keeping operations were issued and 50 per cent of the assessed contributions for ONUSAL for the period 1 July to 31 December 1992 remained outstanding as at 31 March 1992 (see para. 6 above); the Committee points out that such payment prejudices the Organization's ability to meet its

financial obligations to Governments, it also places an unfair additional burden on those Member States which do pay promptly and in full as evidenced in this case by the proposal to retain an unencumbered balance in the amount of $3.6 million which is equivalent to about 25 per cent of the initial appropriation, as indicated in paragraph 4 above.

Notes

1/ S/23402 and Add.1.

2 S/23402, para. 10.

3/ ICSC/CIRC/DSA/203.

4/ S/23402, para. 9.